

STATE FIRE AND TORNADO FUND  
INVESTMENT PERFORMANCE REPORT AS OF FEBRUARY 29, 2008

	February-08				January-08				December-07				September-07				Current FYTD	Prior Year FY07	3 Years Ended 6/30/2007	5 Years Ended 6/30/2007
	Market Value	Allocation	Actual	Month Policy Net ROR	Market Value	Allocation	Actual	Month Policy Net ROR	Market Value	Allocation	Actual	Quarter Policy Net ROR	Market Value	Allocation	Actual	Quarter Policy Net ROR	Net	Net	Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>																				
<i>Structured Growth</i>																				
Los Angeles Capital	628,971	2.7%	2.8%	-0.15%	693,079	2.6%	2.8%	-9.31%	653,886	2.8%	2.8%	-1.50%	814,788	2.8%	2.8%	0.38%	-10.46%	21.84%	13.35%	N/A
<b>Total Structured Growth</b>	<b>628,971</b>	<b>2.7%</b>	<b>2.8%</b>	<b>-0.15%</b>	<b>693,079</b>	<b>2.6%</b>	<b>2.8%</b>	<b>-9.31%</b>	<b>653,886</b>	<b>2.8%</b>	<b>2.8%</b>	<b>-1.50%</b>	<b>814,788</b>	<b>2.8%</b>	<b>2.8%</b>	<b>0.38%</b>	<b>-10.46%</b>	<b>21.84%</b>	<b>13.35%</b>	<b>10.94%</b>
Russell 1000 Growth				-1.99%				-7.80%				-0.77%				4.21%	-6.55%	19.04%	8.70%	9.28%
<i>Structured Value</i>																				
LSV	627,474	2.7%	2.8%	-3.99%	719,340	2.7%	2.8%	-3.79%	639,661	2.7%	2.8%	-5.53%	794,356	2.7%	2.8%	-0.89%	-13.51%	23.77%	19.00%	16.55%
Russell 1000 Value				-4.19%				-4.01%				-5.80%				-0.24%	-13.57%	21.87%	15.93%	13.31%
<i>Russell 1000 Enhanced Index</i>																				
LA Capital	1,254,964	5.4%	5.6%	-1.35%	1,397,474	5.2%	5.6%	-8.07%	1,300,647	5.5%	5.6%	-1.07%	1,622,075	5.6%	5.6%	0.24%	-10.06%	21.27%	13.46%	N/A
Russell 1000				-3.06%				-6.00%				-3.23%				1.98%	-10.06%	20.43%	12.34%	
<i>S&amp;P 500 Enhanced Index</i>																				
Westridge	1,411,297	6.0%	5.6%	-3.12%	1,603,367	5.9%	5.6%	-5.92%	1,457,703	6.1%	5.6%	-3.04%	1,797,676	6.2%	5.6%	2.18%	-9.69%	21.12%	11.98%	N/A
S&P 500				-3.25%				-6.00%				-3.33%				2.03%	-10.30%	20.59%	11.68%	
<i>Index</i>																				
State Street	379,834			-2.96%	430,215			-7.02%	395,674			-6.37%	492,581			-0.80%	-16.18%	21.82%	12.34%	11.08%
<b>Total 130/30</b>	<b>379,834</b>	<b>1.6%</b>	<b>1.9%</b>	<b>-2.96%</b>	<b>430,215</b>	<b>1.6%</b>	<b>1.9%</b>	<b>-7.02%</b>	<b>395,674</b>	<b>1.7%</b>	<b>1.9%</b>	<b>-6.37%</b>	<b>492,581</b>	<b>1.7%</b>	<b>1.9%</b>	<b>-0.80%</b>	<b>-16.18%</b>	<b>21.82%</b>	<b>12.34%</b>	<b>11.08%</b>
S&P 500				-3.25%				-6.00%				-3.33%				2.03%	-10.30%	20.59%	11.68%	10.71%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>4,302,539</b>	<b>18.4%</b>	<b>18.8%</b>	<b>-2.30%</b>	<b>4,843,476</b>	<b>17.9%</b>	<b>18.8%</b>	<b>-6.84%</b>	<b>4,447,571</b>	<b>18.7%</b>	<b>18.8%</b>	<b>-2.89%</b>	<b>5,521,475</b>	<b>19.1%</b>	<b>18.8%</b>	<b>0.62%</b>	<b>-11.06%</b>	<b>21.86%</b>	<b>13.76%</b>	<b>12.22%</b>
S&P 500				-3.25%				-6.00%				-3.33%				2.03%	-10.30%	20.59%	11.68%	10.71%
<b>SMALL CAP DOMESTIC EQUITY</b>																				
<i>Manager-of-Managers</i>																				
SEI	719,890	3.1%	3.1%	-3.47%	827,290	3.1%	3.1%	-7.57%	757,753	3.2%	3.1%	-6.35%	925,769	3.2%	3.1%	-3.66%	-19.50%	18.39%	13.70%	14.37%
Russell 2000 + 200bp				-3.54%				-6.65%				-4.09%				-2.60%	-15.89%	18.76%	15.72%	16.16%
<i>Enhanced</i>																				
Research Affiliates	705,679	3.0%	3.1%	-2.54%	801,750	3.0%	3.1%	-5.26%	718,159	3.0%	3.1%	-7.00%	882,681	3.0%	3.1%	N/A	N/A	N/A	N/A	N/A
Russell 2000				-3.71%				-6.82%				-4.58%				-3.09%	-17.03%			
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>1,425,569</b>	<b>6.1%</b>	<b>6.3%</b>	<b>-3.01%</b>	<b>1,629,040</b>	<b>6.0%</b>	<b>6.3%</b>	<b>-6.44%</b>	<b>1,475,912</b>	<b>6.2%</b>	<b>6.3%</b>	<b>-6.67%</b>	<b>1,808,450</b>	<b>6.2%</b>	<b>6.3%</b>	<b>-4.98%</b>	<b>-19.53%</b>	<b>18.39%</b>	<b>13.70%</b>	<b>14.37%</b>
Russell 2000				-3.71%				-6.82%				-4.58%				-3.09%	-17.03%	16.44%	13.45%	13.88%
<b>INTERNATIONAL EQUITY</b>																				
<i>Large Cap - Active</i>																				
Capital Guardian	976,514	4.2%	4.0%	0.79%	1,031,310	3.8%	4.0%	-9.18%	953,779	4.0%	4.0%	-1.23%	1,172,035	4.0%	4.0%	0.61%	-9.03%	25.99%	21.19%	14.89%
LSV	914,437	3.9%	4.0%	-0.07%	975,418	3.6%	4.0%	-10.58%	917,055	3.9%	4.0%	-6.39%	1,189,785	4.1%	4.0%	-3.37%	-19.17%	31.24%	N/A	N/A
<b>Total Large Cap - Active</b>	<b>1,890,951</b>	<b>8.1%</b>	<b>8.0%</b>	<b>0.37%</b>	<b>2,006,728</b>	<b>7.4%</b>	<b>8.0%</b>	<b>-9.87%</b>	<b>1,870,834</b>	<b>7.9%</b>	<b>8.0%</b>	<b>-3.80%</b>	<b>2,361,820</b>	<b>8.2%</b>	<b>8.0%</b>	<b>-1.43%</b>	<b>-14.22%</b>	<b>28.57%</b>	<b>22.95%</b>	<b>18.43%</b>
MSCI EAFE - 50% Hedged				0.38%				-10.14%				-2.19%				0.11%	-11.68%	26.94%	22.55%	15.71%
<i>Small Cap - Value</i>																				
DFA	241,578	1.0%	1.0%	2.19%	251,846	0.9%	1.0%	-6.60%	226,779	1.0%	1.0%	N/A	0	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lazard	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	289,037	1.0%	1.0%	-3.92%	N/A	21.03%	20.93%	N/A
<b>Total Small Cap Value</b>	<b>241,578</b>	<b>1.0%</b>	<b>1.0%</b>	<b>2.19%</b>	<b>251,846</b>	<b>0.9%</b>	<b>1.0%</b>	<b>-6.60%</b>	<b>226,779</b>	<b>1.0%</b>	<b>1.0%</b>	<b>N/A</b>	<b>289,037</b>	<b>1.0%</b>	<b>1.0%</b>	<b>-3.92%</b>	<b>-8.88%</b>	<b>21.03%</b>	<b>20.93%</b>	<b>N/A</b>
Citigroup Broad Market Index < \$2BN				-4.10%				-9.70%				-5.94%				-0.66%	-19.08%	28.58%	26.34%	
<i>Small Cap - Growth</i>																				
Vanguard	240,739	1.0%	1.0%	2.26%	250,800	0.9%	1.0%	-9.13%	232,138	1.0%	1.0%	-4.84%	282,856	1.0%	1.0%	-1.48%	-12.89%	31.00%	28.08%	N/A
Citigroup Broad Market Index < \$2BN				-4.10%				-9.70%				-5.94%				-0.66%	-19.08%	28.58%	26.34%	
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>2,373,268</b>	<b>10.2%</b>	<b>10.0%</b>	<b>0.74%</b>	<b>2,509,373</b>	<b>9.3%</b>	<b>10.0%</b>	<b>-9.47%</b>	<b>2,329,751</b>	<b>9.8%</b>	<b>10.0%</b>	<b>-3.97%</b>	<b>2,933,713</b>	<b>10.1%</b>	<b>10.0%</b>	<b>-1.70%</b>	<b>-13.91%</b>	<b>28.02%</b>	<b>23.43%</b>	<b>17.15%</b>
MSCI EAFE - 50% Hedged				0.38%				-10.14%				-2.19%				0.11%	-11.68%	26.94%	22.55%	15.71%
<b>DOMESTIC FIXED INCOME</b>																				
<i>Core Bond</i>																				
Western Asset	3,831,139	16.4%	17.1%	-1.32%	4,604,498	17.0%	17.1%	1.78%	4,140,033	17.4%	17.1%	1.63%	4,773,736	16.5%	17.1%	1.87%	3.99%	7.29%	4.44%	5.64%
Lehman Aggregate				0.14%				1.68%				3.00%				2.84%	7.86%	6.12%	3.98%	4.48%
<i>Mortgage Backed</i>																				
Hyperion	1,017,700	4.4%	4.4%	-6.76%	1,227,850	4.5%	4.4%	0.58%	1,107,425	4.7%	4.4%	-1.00%	1,299,305	4.5%	4.4%	-1.78%	-8.81%	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Portion)				0.51%				2.04%				3.15%				3.88%	9.90%			
<i>Core Plus/Enhanced</i>																				
Clifton Group	1,173,977	5.0%	4.4%	1.23%	1,352,002	5.0%	4.4%	2.46%	1,206,895	5.1%	4.4%	3.99%	1,347,820	4.7%	4.4%	4.41%	12.62%	5.52%	N/A	N/A
Prudential	1,086,070	4.7%	4.4%	-0.25%	1,277,872	4.7%	4.4%	0.98%	1,157,169	4.9%	4.4%	2.45%	1,312,020	4.5%	4.4%	1.95%	5.20%	N/A	N/A	N/A
<b>Total Core Plus/Enhanced</b>	<b>2,260,046</b>	<b>9.7%</b>	<b>8.8%</b>	<b>0.51%</b>	<b>2,629,874</b>	<b>9.7%</b>	<b>8.8%</b>	<b>1.73%</b>	<b>2,364,064</b>	<b>10.0%</b>	<b>8.8%</b>	<b>3.23%</b>	<b>2,659,840</b>	<b>9.2%</b>	<b>8.8%</b>	<b>3.18%</b>	<b>8.92%</b>	<b>5.95%</b>	<b>N/A</b>	<b>N/A</b>
Lehman Aggregate				0.14%				1.68%				3.00%				2.84%	7.86%	6.12%		
<i>Index</i>																				
Bank of ND	1,947,017	8.3%	7.7%	0.84%	2,309,231	8.5%	7.7%	1.99%	2,071,045	8.7%	7.7%	3.04%	2,376,300	8.2%	7.7%	3.09%	9.27%	5.45%	2.92%	4.32%
Lehman Gov/Credit (1)				0.63%				1.90%				3.10%				3.01%	8.90%	6.00%	3.04%	4.35%
<i>BBB Average Quality</i>																				
Wells Capital (formerly Strong)	3,851,284	16.5%	17.1%	0.07%	4,532,385	16.8%	17.1%	1.07%	4,104,319	17.3%	17.1%	1.98%	4,710,401	16.3%	17.1%	1.48%	4.68%	7.93%	4.86%	6.59%
Lehman US Credit BAA				-0.33%				0.38%				1.90%				1.67%	3.65%	7.54%	4.47%	6.59%
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>12,907,187</b>	<b>55.3%</b>	<b>55.0%</b>	<b>-0.70%</b>	<b>15,303,838</b>	<b>56.6%</b>	<b>55.0%</b>	<b>1.50%</b>	<b>13,786,886</b>	<b>58.1%</b>	<b>55.0%</b>	<b>2.00%</b>	<b>15,819,582</b>	<b>54.7%</b>	<b>55.0%</b>	<b>1.84%</b>	<b>4.69%</b>	<b>7.11%</b>	<b>3.89%</b>	<b>5.04%</b>
Lehman Aggregate (2)				0.14%				1.68%				3.00%				2.84%	7.86%	6.12%	4.13%	4.87%
<b>CASH EQUIVALENTS</b>																				
Bank of ND	2,347,035	10.0%	10.0%	0.23%	2,757,249	10.2%	10.0%	0.29%	1,697,622	7.2%	10.0%	0.96%	2,858,914	9.9%	10.0%	1.24%	2.74%	5.36%	4.10%	3.00%
90 Day T-Bill				0.15%				0.50%				1.05%				1.34%	3.07%	5.21%	3.78%	2.76%
<b>TOTAL FIRE &amp; TORNADO FUND</b>	<b>23,355,598</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.90%</b>	<b>27,042,976</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-1.72%</b>	<b>23,737,743</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.13%</b>	<b>28,942,134</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.80%</b>	<b>-1.95%</b>	<b>12.45%</b>	<b>8.08%</b>	<b>8.29%</b>
POLICY TARGET BENCHMARK				-0.71%				-1.59%				0.64%				1.92%	0.22%	11.30%	7.64%	7.64%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Gov/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Gov/Credit Index.